Agenda Item No

15

JOINT INDEPENDENT AUDIT COMMITTEE
27 July 2017

SUBJECT	**PCC RISK REGISTER**
REPORT BY	**CHIEF EXECUTIVE & CHIEF FINANCE OFFICER**
CONTACT OFFICER	**JULIE FLINT, CHIEF FINANCE OFFICER** **TEL: 01522 947226**
SUMMARY AND PURPOSE OF REPORT To consider the Police and Crime Commissioner's Risk Register.	
RECOMMENDATION	**That the Committee notes the PCC's Risk Register.**

A. SUPPORTING INFORMATION

1. The top strategic risks that would prevent or distract the Commissioner from achieving his goals are recorded in the PCC Risk Register. The risks have been identified based on the PCC's objectives that are stated in the Community Safety, Policing and Criminal Justice Plan April 2017 – March 2021.

1.1 The PCC's Chief Finance Officer (CFO) and Research and Performance Officer (RPO) attend the Force's Confidential Risk Management Board and Force Risk Management Board respectively. This ensures that the Force's register and the PCC's register are aligned where appropriate. In addition the Force Risk Policy & Review Officer and the Research and Performance Officer meet on a monthly basis to discuss issues arising from both registers (and the Assurance Map).

1.2 The PCC's risk register is reviewed every other month (alternating with the Assurance Map) as part of the standing agenda for the OPCC Internal Management Meeting (IMM). The current register (V7.15) records 11 risks in total, with 8 rated as critical, scoring RED 12 and above and 3 non-critical, scoring AMBER 9 and below

1.3 The majority of the risks on the register (9 of the 11) have a static direction of travel, with one (C037 – Resilience & instability of chief officer team) having a downward trajectory. One risk continues to have an upward direction of travel (C036 – Blue light programme). Overall the OPCC senior management team acknowledge that the Office is currently experiencing a significant amount of risk despite the existing and developing controls recorded. This situation will be carefully and frequently monitored with a view to developing further mitigation wherever practicable.

1.4 The PCC's risk register V7.15 is attached at **Appendix 1**.

1.5 Key developments

Key developments in the OPCC risk register since the Committee's April 2017 meeting are highlighted below:

1.5.1 New Risks

- **New Risk C038 – "Lack of effective service commissioning capacity"** *(Limited OPCC capacity and capability to deliver the full service commissioning lifecycle).*

This risk was assessed and evaluated at the May 2017 IMM and is linked to another risk on the critical register - *C06 "lack of capacity and resilience in the OPCC".* Recent practice in delivering a commissioning process has meant having to rely on support from either the secondment of police officers, as was the case with the commissioning of the current victims service; or the use of external consultants as is the case with the new victims strategy. In addition further support from the force / CPT has been sought in service monitoring / contract management. This approach although effective in meeting immediate needs in the short term presents risks in providing an effective, sustainable, and cohesive solution across the commissioning lifecycle, in what is a complex and growing area of OPCC business.

- **New Risk C037 – "Resilience & instability in the force chief officer team"** *(recent changes across the entire chief officer team)*

This risk was assessed and evaluated at the May 2017 IMM and relates to the relatively newly appointed Chief Constable having a very new chief officer team including the DCC and ACC posts filled with temporarily promoted officers and a new in post ACO. Recruitment plans are in place for a permanent DCC – although the risk score has remained at Red 16 since May the direction of travel for this risk has been marked as reducing.

- **New Risk C039 – "Ineffective relationships with local partners"**

(including Lincs County Council, District councils, Health services, Fire & rescue, and Ambulance service.)

The current partnership landscape is in a state of flux with financial pressures creating the need for organisations to reduce expenditure often by reviewing the services delivered. This could cause partnerships to "shrink apart" placing significant pressure on partnership based services, initiatives and methods of working. Effective partnership working is a key principal of the PCC's Community Safety, Policing and Criminal Justice Plan April 2017 – March 2021.

- **New Risk C040 – "Failure to plan for effective transition from the current commercial contract arrangements".** (Current 10 year contract with commercial partner G4S ends in 2021/22)

Sufficient resources need to be allocated and time allowed, to ensure that an effective replacement for the current contract can be established, and that a smooth transition towards a new service delivery model is achieved. *(A project team is being established and an initial review meeting between the force and OPCC is scheduled for August 1 2017).*

- **New Risk C041 – "Failure to maintain or develop beneficial regional collaborations".** (Following significant changes in regional leadership landscape – PCCs and Chief Officers)

Due to widespread changes in leadership across the five east midlands OPCCs and regional forces, there is a risk that the appetite to maintain existing collaborated services or develop new collaborations may diminish.

1.5.2 Existing risks

- **Risk C06 –** "***Lack of resilience in the Office of the Police and Crime commissioner".*** The scoring of this risk has been reviewed and remains at Red 12. Although mitigating activity continues;

  - Contract for external communications and media services support for the PCC has been extended for 6 months.
  - Two new Policing Interns have been recruited (Planned start date is September 2017 – there will be a three month overlap with the 2 current OPCC interns).
  - The use of external consultant for the creation, development and implementation of a Victims Strategy.

  However, ongoing concerns exist around the impact of new and emerging areas of work and the capacity of existing arrangements to service these needs appropriately.(This risk is linked to risk C038).

- **PCC Risk Ref C036** – ***Failure to deliver the objectives of the Tri-service "Blue Light" programme.***

  This risk score has remained at Red 16. This reflects the ongoing concerns the OPCC has around timely and cost effective achievement of project / programme objectives.

  - Ongoing management & monitoring of project costs – An internal role equivalent to ½ day per week is now providing financial support to the programme.

1.6 **Annual risk management review**

The annual risk management review meeting involving the OPCC management team took place on 28 June 2017. Key actions included:

- Review content of the PCC's risk register, including existing and developing controls for each entry – with reference to the strategic objectives contained in the Police and Crime Plan April 2017 – March 2021.
- Review of archived risks – all assessed as remaining stable and at target scores and do not require re-instating to the register..
- Confirmation that the OPCC risk appetite is set at an appropriate level.
- Discussion and evaluation of 3 new risks for entry onto the register.
- Review of progress in populating the revised Assurance Map and links to the risk register – (Including feedback from the CFO/CE / DCFO).

B. FINANCIAL CONSIDERATIONS

There are resource implications related to some of the mitigating controls. These are managed by the Chief Executive and the Chief Finance Officer.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

Any relevant legal and human rights related risks are included in the PCC's risk register.

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES (including any impact or issues relating to Children and Young People.)

Any relevant personnel, equal opportunities and diversity related risks are included in the PCC's risk register.

E. REVIEW ARRANGEMENTS

The Risk Register will be reviewed by the Joint Independent Audit Committee on a quarterly basis. The Risk Management Strategy will be reviewed on an annual basis and provide linkages to the Annual Governance Statement. The Assurance map will be reviewed by the Committee as required.

F. RISK MANAGEMENT

Risk governance is an integral part of the Joint Independent Audit Committee's remit. It is reflected on the Forward Plan accordingly.

G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.